

Myths vs. Facts: Health Insurance Reform

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Myth: *Health insurance reform will result in socialized medicine.*

Fact: No plan under consideration sets up a socialized medicine framework. In socialized medicine, the government directly owns hospitals and directly employs doctors and other care providers. Under the health insurance reform proposal being considered by the House of Representatives (H.R. 3200), Americans will be provided with a choice of affordable, quality health insurance options: either private health insurance plans or the fallback of a publicly-administered health insurance plan. People will have similar choices to what is currently available for all federal employees, including members of Congress. If you like your current plan, you can keep it. To view a summary of the bill drafted by the House Committees, go to <http://waysandmeans.house.gov/media/pdf/111/sbys3200.pdf>. To read the entire bill, go to <http://thomas.loc.gov/cgi-bin/query/C?c111:./temp/~c1110KtQEU>.

Myth: *The fallback public option is a “Trojan horse” that will lead to single-payer (Medicare for all) health care.*

Fact: The public option is just that: an option. Nothing in the current health insurance reform plan would prohibit private insurance. The publicly-administered plan would be offered alongside private plans, much as publicly-administered Medicare is offered today alongside private Medicare plans. The public option is important for offering choices and reducing premium costs through competition with the private plans. And just like private plans, it would be financed through premiums and would not be subsidized to give it an unfair advantage. The non-profit, non-partisan Families USA correctly points out that a public option would operate at lower administrative costs than for-profit insurers, and it would be able to negotiate bulk discounts and bargain with providers—just as our VA hospitals do with pharmaceutical companies to get the lowest prices—forcing private insurers to deliver more competitive services (<http://www.familiesusa.org/assets/pdfs/health-reform/why-a-public-plan-is-important.pdf>).

Myth: *Health insurance reform will squeeze small businesses.*

Fact: Under the House insurance reform plan, small businesses with up to \$500,000 in payroll will be exempt from any employer mandates. Additionally, there will be special tax credits to help small businesses provide coverage, and the bill will prohibit insurance companies from discriminating against small businesses on the basis of the health of their employees.

All businesses will benefit from a reformed health care system that reduces costs. Rising health care costs are crushing the budgets of families and businesses alike, making us less competitive in the global economy and hurting our nation’s long-term fiscal sustainability. Unless we take action now to reform health insurance, all employers will be squeezed by rising health care costs and employees will continue to risk losing coverage. The non-partisan Congressional Budget Office (CBO) found that under H.R. 3200, employer-provided coverage *will actually increase*: “about 3 million more people would have their primary coverage through an employer under the proposal than under current law.” (<http://www.cbo.gov/ftpdocs/104xx/doc10400/07-26-InfoOnTriCommProposal.pdf>)

Myth: *More than 100 million Americans would be forced into a government-run health plan under the House bill.*

Fact: Under the House bill, no one can ever be forced onto a government-run health plan. Individuals seeking insurance through the individual market will have the choice of multiple private options and the fallback publicly-administered option. The nonpartisan Congressional Budget Office (CBO) predicts the number of Americans in private insurance plans will actually increase under the bill. (See CBO link above.) People who are currently enrolled in government-run programs (Medicare, TRICARE, and VA) will be able to maintain their enrollment and benefits.

Myth: *The health insurance reform bill—on Page 16—outlaws private insurance.*

Fact: The St. Petersburg Times PolitiFact.com rejects this myth. The myth misconstrues Section 102 of the House bill, which allows people who already have insurance that they purchased individually to keep the policies they have for as long as they want to keep paying the premiums (including Health Savings Accounts). Following the date of enactment, people seeking insurance as individuals will be able, if they wish, to choose new plans from insurance companies that will no longer be allowed to discriminate against people with pre-existing medical conditions or selectively refuse to renew existing coverage. (<http://www.politifact.com/truth-o-meter/statements/2009/jul/22/ibdeditorialscom/private-health-insurance-page-16-house-bill/>)

Myth: The health insurance reform bill subsidizes health insurance for illegal aliens.

Fact: The House bill explicitly prohibits illegal aliens from receiving any federal dollars to subsidize health insurance. This is clearly stated multiple times in the bill. Section 246 states: “Nothing in this subtitle shall allow Federal payments for affordability credits on behalf of individuals who are not lawfully present in the United States.” Section 242 also explicitly limits eligibility for subsidies to individuals who are lawfully present in the US (<http://thomas.loc.gov/cgi-bin/query/z?c111:H.R.+3200:>).

Myth: *Health insurance reform will weaken Medicare.*

Fact: Just the opposite. The proposed changes to Medicare will result in less fraud, waste and abuse, which will cut costs and contribute to the program’s long-term viability. In addition, the health insurance reform plan will make Medicare more affordable to seniors by closing the Medicare prescription drug benefit “donut hole” and by eliminating cost-sharing for preventive services. It also includes a fix to the Medicare physician payment system, which will help ensure that doctors will continue to participate. From July 24-27, AARP held telephone town hall meetings to answer their members’ questions on the reform proposals, and the organization directly addressed this issue on its website: (http://bulletin.aarp.org/yourhealth/policy/articles/aarp_telephone_town_hall_meetings_on_health_care_reform_draw_400_000.html).

Myth: *The health insurance reform bill will “put seniors in a position of being put to death by their government.”*

Fact: Continued statements which imply that the health insurance reform bill will force the euthanasia of seniors are outright lies. This deceitful tactic used to scare seniors has been thoroughly refuted by the AARP and the non-profit, non-partisan Annenberg Political FactCheck.org. According to the AARP, the bill will “let physicians get paid by Medicare for counseling people about things like advance directives, living wills, durable powers of attorney, hospice care and other steps people can take to make sure their wishes about how they want to be cared for at the end of life are known and followed. It’s entirely up to the doctor and patient whether this counseling takes place, and completely up to patients whether they take steps based on the counseling to put their end-of-life wishes into legal documents. Facing a terminal disease or debilitating accident, some people want every possible life-saving measure in the hopes that treatment will give them more time with their families. Others will decide that additional treatment is not what they want and decline extraordinary measures. Either way, it should be their choice; all this does is help them make informed decisions about these issues with their doctor.” (http://bulletin.aarp.org/yourhealth/policy/articles/obama_fields_tough_questions_on_health_care_reform_at_aarp_tele_town_hall.html), and <http://www.factcheck.org/2009/07/false-euthanasia-claims/>)

Myth: *Seniors' care will be rationed on the basis of age.*

Fact: Absolutely not! AARP also refutes this claim: "That's a very harmful myth that opponents of reform are spreading to scare seniors. Nothing in the proposed legislation would lead to rationing of care for older Americans or anyone, and if it did, AARP would be leading the fight to kill it."

(http://bulletin.aarp.org/yourhealth/policy/articles/obama_fields_tough_questions_on_health_care_reforms_at_aarp_tele_town_hall.html)

Myth: *The health insurance reform bill will cause more Medicare beneficiaries to lose access to their doctors.*

Fact: Again, AARP refutes this myth. As the organization states on its website, "The legislation will include a much-needed fix to the Medicare physician payment system to prevent an unwarranted 20 percent cut in their rates that otherwise would take effect next January and threaten access to doctors. It also will increase pay for primary care doctors to help preserve access to them, and promote training of more primary care doctors and nurses and geriatricians so we have enough health professionals to treat everyone."

(http://bulletin.aarp.org/yourhealth/policy/articles/aarp_telephone_town_hall_meetings_on_health_care_reform_draw_400_000.html)